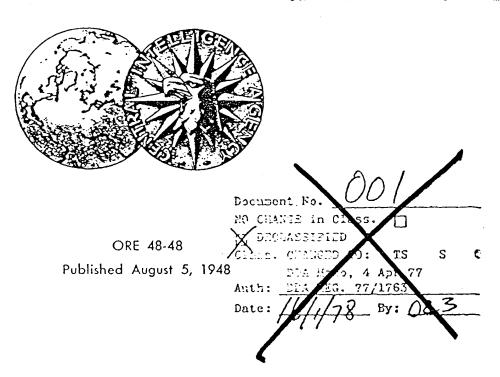
COPY NO.81
FOR THE ASSISTANT DIRECTOR
FOR REPORTS AND ESTIMATES



PROBABLE EFFECTS ON ISRAEL AND THE ARAB STATES OF A UN ARMS EMBARGO

CIA HISTORICAL REVIEW PROGRAM RELEASE IN FULL,



CENTRAL INTELLIGENCE AGENCY



WARNING

This document contact informs in affecting the national defense of the U. The session within the meaning of the Espionage Act, 50 and 31 and 32, as amended. Its transmission or the state transmission

Tak yayur ili ayar sa

DISSEMINATION NOTICE

- 1. This copy of this publication is for the information and use of the recipient designated on the front cover and of individuals under the jurisdiction of the recipient's office who require the information for the performance of their official duties. Further dissemination elsewhere in the department to other offices which require the information for the performance of official duties may be authorized by the following:
 - a. Special Assistant to the Secretary of State for Research and Intelligence, for the Department of State
 - b. Director of Intelligence, GS, USA, for the Department of the Army
 - c. Chief, Naval Intelligence, for the Department of the Navy
 - d. Director of Intelligence, USAF, for the Department of the Air Force
 - e. Director of Security and Intelligence, AEC, for the Atomic Energy Commission
 - f. Deputy Director for Intelligence, Joint Staff, for the Joint Staff
 - g. Assistant Director for Collection and Dissemination, CIA, for any other Department or Agency
- 2. This copy may be either retained or destroyed by burning in accordance with applicable security regulations, or returned to the Central Intelligence Agency by arrangement with the Office of Collection and Dissemination, CIA.

DISTRIBUTION:
Office of the President
National Security Council
National Security Resources Board
Department of State
Department of Defense
Department of the Army
Department of the Navy
Department of the Air Force
State-Army-Navy-Air Force Coordinating Committee
Joint Chiefs of Staff
Atomic Energy Commission

Silyana.





ORE 48-48

PROBABLE EFFECTS ON ISRAEL AND THE ARAB STATES OF A UN ARMS EMBARGO

TABLE OF CONTENTS

	SUMMARY	1
1.	Current Situation	3
2.	Implications of a UN Arms Embargo against Jews and Arabs	4
3.	IMPLICATIONS OF A UN ARMS EMBARGO AGAINST ONE BELLIGERENT	5
	a. Against the Jews	5
	b. Against the Arabs	6
4.	Implications of UN Failure to Take Positive Action	6
Ma	p—Military Situation—11 June 1948	
	APPENDIX A-PRESENT MILITARY SITUATION	
1.	Tactical Situation	8
2.	Strength of Forces Involved	8
	APPENDIX B-ISRAELI ARMS SUPPLY	
1.	General	10
2.	Present Stocks	11
	a. Light Infantry Weapons and Ammunition	11
	b. Mortars	11
	c. Artillery	12
	e. Miscellaneous	12
3.	Production Capacity	12
J.	a. Jewish Industry before and during World War II	12
	b. Jewish Munitions Industry after World War II	12
	c. Jewish Munitions Industry after the UN Partition Recommendation	13 14
4.	Raw Material Situation	
5.	Possible Outside Sources of Supply	14 15
	a. The USSR and its Satellites	15
	b. Western Europe	15
	•	

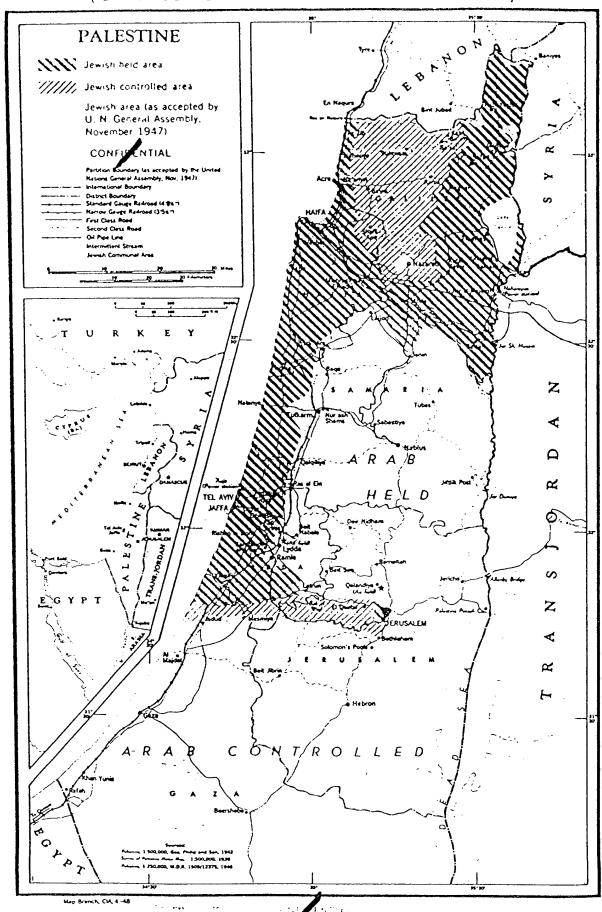


SECRET

	c.	The UK					•		•	•		• 5					10
	d.	The US	and	Latir	ı Am	eric	a		•	•	•			•	•		16
	•			A .	PPEN	נות	х с	-ARA	ВА	REA	SUP	PLY					
				**		121											
1.	GE	NERAL		•	•				•	•		•		•		•	17
2.	PR	esent Sto	скs					•	•							•	17
	a.	Egypt					•	•	•			•		•			17
	b.	Transjo	rdan	ı	•		•		•		•	•	•	•			18
	c.	Iraq							•	•	•	•		•			18
	d.	Syria			•				•	•		•		•		•	18
	e.	Lebanor	n, Sa	udi A	rabia	, an	d Yei	men	•	•				•	•		19
3.	PR	ODUCTION	CAP	ACITY				•	•			•		•		•	19
	a.	Genera	l														19
	b.	Syria a	nd L	ebano	n				•	•						•	19
	c.	Iraq										•					20
	d.	Egypt					•				•	•	•	•			20
	e.	Palestir	ne								•		•	•	•		20
	f.	Transpo	ordai	and	Sauc	li Ai	rabi a	•	•	•	•	•		•	•	•	21
	g.	Yemen	•				•	•	•	•	•	•	•	•	•	•	21
4.	RA	w Mater	RIAL	Situa	TION			•	•		•						21
5.	Po	SSIBLE O	UTSI	DE SOU	JRCES	OF	SUPP	LY		•	•	•	•		•		21
							.~~ .						~				
		А	PPE	NDIX	. D	AIH	CRA.	F.I. V	מאי	AIR	DEF.	ENSE	SU	PPLY			
1.	G	ENERAL		•	•			•		•		•					23
2.	Isi	RAEL		•			•		•	. •	•				•		23
3.	Tr	ie Arab i	Stat	ES.													23

APPENDIX E-NAVAL STRENGTH AND SUPPLY

(On effective date of U. N. cease-fire order)



or provided



PROBABLE EFFECTS ON ISRAEL AND THE ARAB STATES OF A UN ARMS EMBARGO

SUMMARY

- 1. Neither Israel nor the Arab states now have sufficient stocks of arms and equipment to carry out prolonged, full-scale hostilities following the end of the four-week truce which began 11 June. Israel is weak in heavy equipment, although it has adequate stocks of small arms and ammunition, and is believed capable of supporting guerrilla warfare operations with its own armament industry. The Arab states, although superior in artillery, armored vehicles, and aircraft, have only limited stocks of ammunition and replacement equipment and possess insufficient facilities for producing armament.
- 2. Both sides are negotiating to obtain material from outside sources. Zionist agents abroad have been able to stockpile light weapons and ammunition from Czechoslovakia and other Eastern European countries for eventual shipment to Palestine, and the Jews undoubtedly hope to acquire additional heavy equipment from the US. The Arabs look, as in the past, to the UK as a principal source of arms but are exploring additional sources. Arab financial resources for such transactions, however, are not extensive.
- 3. The application of an effective UN arms embargo against both Israel and the Arab states would limit the scale of the fighting and would probably result in a military stalemate, leading eventually to a compromise. The Arabs would find themselves incapable of prosecuting a large-scale offensive. The Jews would also be unable to wage offensive war, but would probably be able to maintain their present positions along the coast and possibly in Galilee. Jewish extremists would resist any attempts at compromise, and the Provisional Government of Israel itself would probably make every effort to have the embargo modified before entering into negotiations with the Arabs. The Arabs would also be loath to make concessions. In the end, however, both Israel and the Arab states (or at least Transjordan) might feel constrained to accept a Jewish state exclusive of the Negeb.
- 4. Inadequate enforcement of the embargo could also be expected to result ultimately in a virtual stalemate. Israel, possessing better facilities for obtaining illegal arms than the Arabs, would be able to defend more territory than under an effective embargo but could not win a decisive victory. The Arabs would probably obtain measured assistance from the UK, which favors a stalemate. Since some support for Israel would come from the US, anti-US feeling in the Arab states would rise following any Jewish successes. The USSR would probably supply arms to both belligerents in

Note: The information in this report is as of 1 July 1948.

The intelligence organizations of the Departments of State, Army, Navy, and the Air Force have concurred in this report. This report was prepared in collaboration with the Departments of the Army, Navy, and the Air Force, and at the request of the State Department.



an effort to promote continued unrest in the Middle East. (See ORE 38-48 for an evaluation of Soviet Policy in the Middle East.)

- 5: A UN embargo against the Jews alone would lead to eventual Arab victory, and would increase US prestige with the Arabs. In Israel a struggle for power between pro-Soviet, extremist groups and the moderates would ensue, with the moderates probably attempting to find a modus vivendi with the Arabs. The amount of support provided by the Soviet bloc, on one hand, and the nature of the terms provided by the Arabs, on the other, would determine the outcome.
- 6. A UN embargo against the Arab states alone would permit the Jews to obtain sufficient military supplies to take the offensive and force Arab acceptance of a Jewish state and the withdrawal of Arab armed forces from Palestine. Under such circumstances, the Arab states would probably see no significant loss involved in leaving the UN and severing relations with the nations responsible for the embargo. They might also be willing to risk the economic dislocation entailed in cancellation of economic concessions; these concessions might eventually be reassigned to more friendly powers. Political upheavals would probably ensue in the Arab states, facilitating Soviet exploitation.
- 7. If the UN takes no positive action following the end of the truce, military developments will in large measure depend on the great powers. If the present US and UK embargoes are maintained, fighting would continue on a greater scale but neither side would obtain decisive victory. The UK would probably attempt to redress the balance if Soviet aid or other factors appeared to make Jewish success imminent. The Zionists would then increase the pressure on the US to end its embargo. If the US did so, the Palestine battle would become bloodier, and US-UK relations would be further strained. A cessation of British aid to the Arabs at this point, in order to avoid a break with the US, would result in significant Soviet military aid to the Arabs, accompanied by intensified efforts to extend Soviet influence into the Arab countries.





PROBABLE EFFECTS ON ISRAEL AND THE ARAB STATES OF A UN ARMS EMBARGO

1. CURRENT SITUATION.

Shipsing .

When the United Nations Palestine truce became effective on 11 June, the fighting between the Arabs and the Jews was tending toward a stalemate, in which both sides were experiencing difficulties in marshalling effective military strength. Nevertheless, neither Israel nor the Arab League bloc was willing to retreat publicly from its basic position. The Zionists insisted on the maintenance of a fully independent state within the territories allocated them under the UN partition plan. The Arabs, although they showed some signs of willingness to compromise, were committed to opposing both sovereignty for Israel and unlimited Jewish immigration into it.

At present under the truce, Arab regular and irregular forces within Palestine or near its borders total approximately 50,000, about 25,000 of whom have been actually committed inside Palestine. The strength of the Israeli forces totals some 90,000. About 35,000 of the Israeli troops have been used for active operations, half of this figure being employed as a striking force, and half for local, mobile defense.

The Arabs have approximately 250 light aircraft and transports, while Israel possesses an estimated 45 light aircraft, an unknown number of transports, and possibly several heavy bombers. The sea power of both Arabs and Jews is relatively slight. The Arab Armies have a wide variety of small arms and are stronger than Israel in artillery and tanks. However, their stocks of ammunition and replacement materiel are limited, and the Arab states have insufficient facilities and raw materials for the production of armament. Present Israeli stocks of small arms are adequate to arm all combatant members of the Israel forces. Israel's industrial capacity is restricted by the shortage of raw materials but is believed capable of keeping present weapons and equipment in condition and of supplying replacements and ammunition for guerrilla warfare.

The arms and equipment of neither Jews nor Arabs are sufficient for prolonged, full-scale hostilities, and both sides are involved in negotiations for obtaining material from various outside sources. The Jews have managed in various ways surreptitiously to acquire large amounts of arms and equipment from British Army stocks in Palestine. The efforts of Zionist agents abroad have resulted in the stockpiling of quantities of small arms, automatic weapons, and ammunition in various eastern European countries for eventual shipment to Palestine. Most of these stocks come from Czechoslovakia, Yugoslavia, and possibly from Poland and the USSR. Jewish acquisitions from the US consist mainly of machinery, motor vehicles, and air transport. The Israeli forces are much more concerned with obtaining such heavier equipment than in acquiring small arms.

The Arab states look to the UK (subject to its UN commitments) as their principal source of arms supply and will continue to do so. However, such alternate sources as



France, Belgium, Switzerland, Sweden, and Czechoslovakia are now being explored, and Spain and Argentina are also possibilities. It is expected, however, that financial limitations will prevent large purchases from these sources.

There is no evidence that either Arabs or Jews have smuggled any substantial supplies of arms into Palestine since the truce went into effect.

2. Implications of a UN Arms Embargo against Jews and Arabs.

If the efforts of the UN Mediator fail and hostilities are resumed, it is possible that the UN will impose an arms embargo on Israel and the Arab states. If effectively enforced, such a step would: (1) deny arms to both sides, and thus keep the war on a small scale and of a more or less local nature; (2) make it difficult for the belligerents to negotiate blackmarket arms purchases and even more difficult to effect delivery; and (3) probably create a military stalemate leading eventually to a political compromise between the Jews and Arabs.

If the Provisional Government of Israel (PGI) is unable to obtain the heavy equipment which it needs to conduct a successful campaign against the Arab states, it will be forced to reappraise its position in the light of these changed conditions. Policy hitherto has been based on the assumption that the Zionist organization throughout the world, and particularly in the US, would be successful in enlisting sufficient great-power support to assure the establishment and continued existence of the Jewish state. Faced with the realization that their present military resources would not be sufficient to force a solution to the Palestine problem in accordance with the terms of the General Assembly partition plan, it seems inevitable that the more moderate Jewish elements would be obliged to consider some retreat from their present attitude.

While Arab outside sources of supply would also be cut off, this loss would be compensated for by the shutting off of Jewish supplies. Thus a stalemate would ensue. The Jewish forces, though incapable of waging offensive war, could probably maintain their present positions along the coast and possibly in Galilee. Under these circumstances, both the PGI and the Arab states, or at least Transjordan, might be willing to accept a Jewish state exclusive of the Negeb (assigned by the UN plan to the Jews but now cut off by Arab forces).

No such willingness to consider compromise could be expected from the Jewish extremists. Both the Stern Gang and the Irgun Zvai Leumi have already rejected the authority of the PGI, and they have been working with the government only for reasons of expediency. Both groups would reaffirm their claim to all of Palestine and Transjordan, disassociate themselves from the decisions of the PGI, and resume their terrorist activities. This schism would further weaken the Jewish political position, and produce increased dissension in Jewish ranks. Attempts by the Irgun to import arms during the truce have already resulted in a bloody engagement with the Israeli Army.

Before seeking a compromise with the Arabs, the Jews would make every effort to bring about modifications in the embargo. To this end, they would probably be willing to undertake a political alignment with any country which evinced a disposition to consider their pleas.

SECRET

4

Even if the embargo were inadequately enforced, a military stalemate would probably eventuate. Jewish facilities for obtaining illicit arms would be greater than those of the Arabs, although the Arabs could probably obtain sufficient quantities to prevent an Arab defeat but not to permit a decisive victory. The Jews could consolidate the areas of Palestine which they now hold and perhaps also force the Arabs to relinquish the Negeb.

An active, well financed Zionist organization throughout Europe and the US would be able to run arms ships as formerly it ran ships of illegal immigrants. Principal sources for small arms, automatic and semiautomatic weapons, ammunition, explosives, mortars, and light artillery would continue to be Czechoslovakia and Yugoslavia, with delivery accomplished by transshipment through Albania, Bulgaria, and Italy. This arrangement would entail minimum jeopardy to the UN status of the countries of origin. Any air or ground transport, self-propelled units, or heavy ordnance supplied by these countries would probably be of German or US manufacture, thereby making determination of the immediate source more difficult.

The British apparently favor the development of a military stalemate, which would force a compromise solution. For this reason, it is likely that British arms in sufficient quantity to bring about such a situation and to prevent an Arab defeat would find their way into Arab hands. Czechoslovakia would accept arms-purchase contracts on a dollar basis, and private sources in Italy could furnish arms on the same basis. The dollar shortage of the Arab states, however, would limit the quantities thus procured to a very small percentage of what the Jewish forces could obtain.

The US would probably be deeply involved in the illicit Jewish arms traffic. Financial support would certainly stem mainly from this country, and a considerable portion of the actual war matériel would likely originate here. Consequently, violent anti-US reaction could be expected throughout the Arab world in the wake of any Jewish military successes. There is also the probability that under such circumstances similar resentment would be directed against the UN and against those nations voting for the embargo. Meanwhile, the USSR could be expected to exploit the inadequacies of the embargo in order to play both ends against the middle.

3. Implications of a UN Arms Embargo against One Belligerent.

a. Against the Jews.

An effective UN arms embargo against the Jews alone would obviously mean military victory for the Arab forces. In a relatively short time the Arabs would be in a position to establish some form of unitary state in Palestine, wherein the present Arab majority would be able to control the Jewish minority. US prestige in the Middle East would be improved since Arab leaders would probably credit the US with having permitted this pro-Arab measure.

The repercussions in Israel of an embargo against the Jews would be violent. The Jews would look on the embargo as a betrayal by the West, and the Stern Gang and other pro-Soviet elements would gain in influence and would attempt to wrest control from the pro-West or moderate elements. To circumvent the schemes of the



extremists, the moderate elements might try to bargain with the Arab leaders in the hope of finding a modus vivendi for the Jews under some form of confederation. Deciding factors in the extremist-moderate struggle for power would be the amount of support given by the USSR to the extremists and the nature of the political terms the Arabs would be willing to grant the moderates.

b. Against the Arabs.

An effective UN arms embargo against the Arabs alone would mean military victory for the Jews. While the Arabs would be denied outside help, the Jews would be able to buy arms in various parts of the world, and to effect relatively easy delivery. They could thus assume the offensive and force Arab acceptance of a Jewish state. Other nations could be expected to grant diplomatic recognition, which would add to the prestige of Israel and its government and help to ease current economic difficulties.

The Arab states would, of course, look upon such an embargo as a hostile act intended to defeat their claims in Palestine and to guarantee Israel's independence. Arab leaders have already declared that, if increasing aid is given the Jews by other powers, the Arab states will leave the UN, break off diplomatic relations with those nations most directly concerned, and cancel the concessions held by the same powers in Arab countries. These concessions might eventually be transferred to more friendly powers.

In terms of self-interest, the Arab states would lose little by severing diplomatic relations with the SC members responsible for the embargo or even by withdrawing from the UN. The imposition of economic sanctions by the Arab states on the powers which had voted for the embargo would cause serious dislocations in the Arab countries and would delay development programs indefinitely. Nonetheless, the Arabs might well be willing to sacrifice economic benefits in order to punish the offending nations. Sanctions would likely include the cancellation of oil and air concessions or the sequestration of foreign installations. Moreover, the Arab masses would probably turn against their own governments, holding them responsible for the defeat. The violence and unrest accompanying these political upheavals would create the chaotic conditions most favorable to Soviet exploitation.

4. Implications of UN Failure to Take Positive Action.

In the event that the UN truce expires with the UN having taken no positive action, the development of the military situation in Palestine will depend largely on the policies pursued by the US and UK regarding arms shipments to the Middle East. If the US and the UK should maintain embargoes, the Jews could obtain more arms and equipment from other sources than the Arabs. This advantage, however, would not be immediately decisive; fighting would continue on a greater scale but would not bring outright victory to either side.

The USSR probably would not support either side exclusively. If it should attempt to increase its influence in Israel by making large shipments of matériel to the Jews, or if for any reason a Jewish victory appeared imminent, the UK would almost certainly





seek to redress the balance by resuming arms shipments to the Arabs. Thus the military deadlock would hold.

The UK's action would cause the Zionists to increase their pressure on the US to lift its embargo. If their efforts were successful, the result would be an increasingly bloody struggle in Palestine for an indefinite period of time, coupled with a catastrophic deterioration in already strained US-UK relations. Should the UK subsequently stop its shipment of arms to the Arab states in order to avoid a complete break with the US, the Arabs would be in a desperate situation. At this stage, the USSR would almost certainly give support to the Arab Armies considerably beyond the small amount of matériel aid already reaching them through the Soviet satellites and would take advantage of the isolation of the Arab world from the West to extend its control into the Arab countries.

gwydiair y y

SECKET

APPENDIX A

PRESENT MILITARY SITUATION

1. TACTICAL SITUATION. (See attached map.)

When the Arab and Jewish truce began on 11 June 1948 the Jews controlled loosely almost all of Galilee, roughly the area north of a line running from Haifa through Jenin to Beisan. The Arabs had made three small penetrations into this area. A mixed force of Syrian regulars and Arab irregulars had established itself south of the Lebanese border at Malikiya. A second force of regular Syrian troops had penetrated from Syria as far as Mishmar hay Yarden, and was in position to threaten the main road running from Tiberias to the settlements north of Lake Hula. A third Syrian force is reported to have penetrated to, and occupied, the city of Nazareth.

In addition to the Galilee area, the Jews remained in possession of the coastal belt, roughly ten miles in width, from the Lebanese border on the north to Isdud on the south. The Jews also maintained small forces in about 20 isolated settlements in the Negeb, and continued to hold the western portions of Jerusalem.

The three-pronged attack of the Arabs in the vicinity of Tel Aviv had stalled, at least temporarily, by 11 June. The Egyptian column, about one brigade in strength, had moved north along the Palestinian coast, and was in control of the coastal area from the Egyptian border to the general vicinity of Isdud, with some units deployed along the road leading east from El Majdal. Strong Jewish counterattacks had developed near Isdud before 11 June. Iraqi troops were in possession of Ras el Ain, a pumping station for Jerusalem's water supply, located 10 miles northeast of Tel Aviv. Arab Legion units controlled Lydda and Ramle, ten to fifteen miles southeast of Tel Aviv. The truce apparently interrupted Jewish operations designed to seize those two points.

In the Jerusalem area, Arab Legion units continued to control the Jerusalem-Tel Aviv road at Latrun by covering it with artillery fire, although the Arabs did not physically occupy the road at any point. The Jews, however, had opened an emergency by-pass route on the Jerusalem highway. In the city of Jerusalem, Arab Legion units occupied the Old City and the northern and northeastern suburbs. Other Arab Legion troops supported by Arab irregulars were attempting to force their way into Jerusalem through Jewish-held positions south of the city. A second Egyptian column, which had moved north from Beersheba, was last reported to be located between Bethlehem and Jerusalem.

2. STRENGTH OF FORCES INVOLVED.

As of 11 June, it is estimated that the Jewish military and quasi-military forces totaled approximately 90,000 men and women. Hagana, which has become the official Israeli Army, consists of a striking force of about 18,000 organized into approximately

SECRET



six brigades; local mobile defense units, totaling about 17,000; and nearly 50,000 militia used for the static defense of both urban and rural areas. While present estimates put the strength of Irgun Zvai Leumi and the Stern Gang at 7,000 and 400, respectively, there is reason to believe that both organizations may be considerably larger.

At the beginning of the truce period, Arab regular and irregular forces operating within or near the border of Palestine totaled approximately 50,000; of these, 25,000 regulars and an undetermined number of irregulars were actually within Palestine. The above totals are broken down by countries in the accompanying table.

ARAB LEAGUE MILITARY FORCES PERSONNEL STRENGTHS

Country	Total Army	In Palestine	Near Palestin e	Total In Or Near Palestine
Egypt	61,500	5,000	8,000	13,000
Iraq	40,000	6,000		6,000
Lebanon	3,900		2,000	2,000
Saudi Arabia	8,000	3,000		3,000
Syria	9,600	1,000	2,400	3,400
Transjordan	10,000	10,000		10,000
Yemen				
Irregulars				
(Origin undetermined)		?	?	13,000
TOTALS	133,000	25,000*	12,400*	50,400

^{*} Plus at least some of the Arab irregulars, originally estimated at 13,000, on whose present location exact information is lacking.



SECRET

APPENDIX B

ISRAELI ARMS SUPPLY

1. GENERAL.

Present stocks of small arms (including rifles, submachine guns, and pistols) are considered adequate for arming all combatant members of the Israeli forces with personal weapons. It is also believed that present stocks of small-arms ammunition are large and that the Jews can produce more. The Israeli forces are generally deficient in heavier equipment but have an ample supply of mortars, most of which, along with mortar ammunition, are locally made. Although there were no indications of any appreciable quantity of artillery in the possession of Israel, the Zionists now claim to be well equipped in this line. The Zionists are supplementing their small stock of armored cars and captured tanks with scout cars and armored personnel carriers converted from trucks. Israeli forces are equipped with grenades and appear to be well supplied with various types of explosives.

It is estimated that present stocks of arms and ammunition in Israel would not suffice for more than a comparatively short period of heavy fighting.

In 1938, a plan for establishing an armament industry in Palestine, submitted to the British High Commissioner, was flatly rejected, and an order forbidding munitions production was issued. Nonetheless, there is evidence that even before the proclamation of the independent state of Israel a considerable capacity for the illegal manufacture of weapons and ammunition had been developed within the present boundaries of the new Jewish state. Matériel so manufactured has been uncovered by numerous British police and military raids on various installations. Following the UN partition recommendation, when it became clear that a major conflict would develop between Jew and Arab, Jewish leaders prepared for the complete conversion of Palestine's small but efficient industry, which had been built up earlier by Jewish colonists, to military needs.

The matériel now produced by Jewish industry includes small arms and small-arms ammunition, mortars, and various explosive devices. While the shortage of raw materials restricts the munitions industry, it is believed that current production is adequate to keep present stocks of arms in condition and to supply replacements and ammunition for guerrilla warfare.

Zionist agents have for many months been actively engaged throughout Europe and the US formulating plans to assure a steady and adequate flow of arms to the Jews in Palestine. Czechoslovakia and Yugoslavia are probably the chief European sources for such arms. Because under the Mandate the importation of arms into Palestine was illegal, the matériel acquired was stockpiled both in these countries and in Bulgaria, Albania, and Italy for subsequent shipment to Palestine. The stocks are believed to consist of small arms, automatic weapons, and ammunition; they are for the most part of Czech manufacture, the only notable exception being quantities of Mauser rifles from

SECRET



Yugoslavia. Aircraft and other heavy matériel have been acquired in the US; much of this equipment is shipped to Palestine via Latin American countries.

2. PRESENT STOCKS.

a. Light Infantry Weapons and Ammunition.

Israeli stocks of rifles, submachine guns, and pistols are of various origins, mostly British, and are adequate to arm all members of Irgun Zvai Leumi, the Stern Gang, the Israeli Police, and all combatant members (approximately 35,000) of Hagana with personal weapons. It is alleged that in northeast Palestine 90 percent of the Jewish men are armed. According to one source, 25 settlements in the Tiberias-Safad region with a total population of 8,415 Jews had a total of 2,699 rifles and 372 automatic weapons. The high percentage of arms per capita in this particular region may be accounted for by the fact that the Zionists consider it a critical area. On the coast and in the cities which have greater protection in depth, the percentage is probably much lower. The ratio of pistols and submachine guns to rifles is greater in the larger towns and cities than in the settlements. The main weapons in this category are the British caliber .38, Number 2 revolver, and the US-made Smith & Wesson caliber .38 revolvers in use by the British Army. Other small arms possessed by the Zionists are British Bren machine guns, Sten and Thompson submachine guns, Browning machine guns, British and German-type rifles, Vickers and Spandau light machine guns, and medium and heavy machine guns, Boys antitank rifles, PIATS, and bayonets and commando knives. Some Sten guns of superior quality, possibly the major portion possessed by the Zionists, are manufactured in Tel Aviv or Galilee.

Present stocks of ammunition for small arms are believed to be large, and the Israeli are reported able to produce more. Although before the present truce some of the stocks of ammunition were expended in operations, the Zionists allegedly bought large quantities of British stores including 250 tons of ammunition. They also are reported to have salvaged unknown quantities of ammunition and weapons jettisoned by the British at the time of the British withdrawal. Ammunition for the relatively small number of heavy machine guns is in short supply.

b. Mortars.

The Israeli have an ample supply of mortars, most of which are locally made. It is alleged that in January there were 157 mortars of unnamed caliber in 25 settlements in the Safad-Tiberias area. British 2-inch and 3-inch mortars stolen from the British Army have been used by Israeli forces, but the number thus acquired by the Zionists is not known. The Israeli are also manufacturing mortars of these calibers, and their use of such weapons has generally been increasing. In one Jewish settlement cache, 94 of these locally manufactured mortars were discovered by the British in June 1946. Palmach, the full-time combat unit of Hagana, is reported to have 6-inch mortars and to have fired at least six such projectiles during the Haifa engagement. Mortar ammunition is produced in Israel.



c. Artillery.

Although the exact number of field artillery pieces possessed by Israel is not known, the Jews claim now to be well equipped. Twenty-five-pounder field guns (at least 4) and six-pounders (15-20) have been reported in the possession of Hagana, as well as some 3.7-inch pack howitzers. There is nothing to indicate, however, that the Israeli forces are in possession of any self-propelled artillery. It has been reported that 40 antiaircraft guns were installed for the defense of Tel Aviv following the first air raids.

d. Armored Vehicles.

Although the Zionists apparently had no tanks or other tracked offensive vehicles at first, they reportedly seized two Sherman tanks from the Arab Legion in the middle of May and two Cromwell tanks from the British at the end of June. During World War II the British are believed to have supplied the Zionists with a small number of armored cars so that they might protect their road convoys against Arab attack. The Zionists have supplemented this matériel with a number of trucks to which protective boiler plate has been fitted. A large number of trucks have thus been converted into improvised types of scout cars and armored personnel carriers.

e. Miscellaneous.

The Israeli forces are equipped with standard British hand and rifle grenades stolen from the British Army and with some improvised grenades. Some of their hand and rifle grenades appear to have been made in the US in 1938, but they are not US service types. Israeli forces are also reported to have used a new 30-pound rocket shell. They appear to be well supplied with various types of explosives, as mine warfare has been conducted on a relatively large scale, both with road mines and with demolition charges. The Zionists claim to have both antitank and antipersonnel mines. Most of the mines are improvised from explosives stolen from the British. Standard British mines are also used.

3. PRODUCTION CAPACITY.

a. Jewish Industry before and during World War II.

Jewish colonists before the war had developed a small but efficient and well diversified manufacturing industry with a total of 1,556 factories and workshops. This included about 178 metal-working shops which employed about 2,000 workers and possessed some 300 lathes, 130 power presses, 55 milling machines, and 80 shapers and planers. The abundance of experienced workers, many of whom were driven out of Europe by Axis persecution, provided the country with a foundation for development of an industry based on skills and craftsmanship. Of particular importance among metal manufactures were such specialized products as precision optical apparatus, surgical and medical equipment, tools and dies, and electrical instruments.

The establishment and development of the Near East as a strategic center and the demand for war supplies by the Allied armies in that area led to a considerable

SECRET



expansion of the productive capacity of the Palestinian industry. By 1942, Jewish industry included some 2,120 industrial establishments employing 45,000 workers. The metal-working industry in particular was expanded to meet war needs, with 191 metal works employing 5,716 workers and 208 machinery works employing 4,058. Chemical production was also developed as an important branch of Palestinian industry, with 180 plants employing some 4,795 workers. The British operated a landmine filling factory during the war at Wadi Sarar, using mine casings and components furnished by metal works in Tel Aviv, Haifa, and elsewhere. Peak production of the plant was 5,000 mines daily. Explosive charges for the mines were not manufactured in Palestine, however, but were imported from Great Britain.

b. Jewish Munitions Industry after World War II.

One of the principal sources of information as to the postwar development of an illegal Jewish munitions industry has been raids conducted by British police and military on installations suspected of furnishing demolition materials to Jewish extremist forces. Even prior to VE-Day, Jewish efforts turned from the accumulation of considerable stocks of hidden weapons, acquired by smuggling, illegal purchases, and thefts from military personnel, to the domestic manufacture of spare parts and ammunition for weapons and even to fabrication of complete weapons. Among the latter were crude rocket projectiles which were fired from mortars in an attack on a British police barracks in May 1945. The projectiles were about 3 feet long, and contained a fuel tank, jet, and explosive charge of gelignite, and showed evidences of workmanship of persons familiar with the manufacture of rocket weapons. About 50 were found, used and unused, and it is estimated that some 200 may have been manufactured. A Tel Aviv workshop raided shortly thereafter contained evidence of the manufacture of such projectiles and mortar parts. Other workshops for manufacture of crude bombs and electrical detonators were also found.

A major haul was made in a raid in July 1946 on the Jewish settlement of Meshek Yagur, a few miles east of Haifa, where a small underground arsenal yielded thousands of grenades, mortar shells, and, among other weapons, 94 2-inch mortars of undetermined origin.

Further raids by British military and police in August 1946 revealed large caches of arms and explosives, including thousands of homemade mines and bombs, in Tel Aviv churches, schools, and houses, establishing almost to the point of certainty that Tel Aviv is the main supply base of the Jewish forces in Palestine.

Evidence of Jewish ingenuity in fabrication of munitions was displayed frequently in terrorist raids throughout 1947. Crude but effective flame-throwers were used by Irgun in raids on police barracks. New and powerful types of road mines were developed by the extremists for attacks on British truck convoys. Homemade mortars, constructed of pipe, were used more frequently.

British military patrols discovered a complete arms-manufacturing and spareparts workshop in June 1947 occupying 3 floors of a building opposite British Headquarters in Tel Aviv. The shop was fitted with lathes and other power tools, and stocks of homemade rifles and spare parts for rifles and automatic weapons were





found in the basement. A raid on one of the larger Tel Aviv metal works in July brought to light Sten gun components and blueprints for Sten guns, and one worker was caught at his lathe making a cap for Sten barrel extensions. It was considered probable that this plant was merely one link in a chain of Sten gun parts manufacturers of which the previously raided shop was also a link.

c. Jewish Munitions Industry after the UN Partition Recommendation.

Under the provisions for the partition of Palestine, the major parts and most of the industry of Palestine were centered in the Jewish state of Israel. It is estimated that five-sixths of the industrial workers in Palestine work for Jewish enterprises which are concentrated in the cities of Haifa and Tel Aviv. Palestine's main industries—diamond-polishing, textiles, chemicals, food-packing, metal works, and electrical goods—are all in the Jewish state. As the scale of Jewish-Arab conflict within Palestine increased and as Arab League forces made threatening moves toward Palestine's borders, preparations were made by Jewish leaders for the maximum conversion of this small but efficient industry to military needs in the emergency. Among the preparations taken as open warfare became more imminent was the armoring of commercial trucks and buses with armor plate or (in its absence) with ordinary steel plate.

All available information points to a considerable increase in production in early 1948. Illegal arms factories, located in Tel Aviv and Galilee, were manufacturing complete Sten guns in considerable numbers. Cost of the finished weapons to the Jewish forces is reported to be about \$3 apiece. Mortars of 2 and 3-inch caliber are also being manufactured and used in increasing numbers. (Approximately 3,000 2 and 3-inch mortars of varied origin are estimated to be in the hands of Hagana forces.) Mortar ammunition for both types is also being made. British officers have stated that the Sten guns and 3-inch mortars made by the Jews are in many cases superior to those made in England. The Jews are also reported to have facilities for the manufacture of considerable quantities of small-arms ammunition in various arms factories. Among the items produced in other factories are explosive devices such as mines, grenades, and demolition charges, smoke, pyrotechnics, detonators, and fuses, bayonets and knives, barbed wire, concrete emplacements, sandbags, first aid supplies, and other defense products.

4. RAW MATERIAL SITUATION.

Palestine suffers from an almost complete lack of mineral resources, especially iron ore and nonferrous metals. The important potash and bromine deposits in the Dead Sea and various sulphur and gypsum deposits are the only exploitable mineral wealth. Coal and petroleum are completely lacking. In addition, the country is deficient in raw material for its food-processing and textile industries. Raw material for the iron and nonferrous metal foundries is scrap metal, of which plentiful supplies have been brought from the North African battlefields. As a result of short supplies of most raw materials, the Jewish colonists before the war concentrated on the development of industries in which the finished product depends for its value upon the technical skill of management and workers, while raw materials play a relatively minor part.

SECRET



The estimated annual requirements of Palestine's industry in 1940 for raw materials, if its total productive capacity were devoted to the war effort, were as follows:

Iron and steel	30,000	tons
Nonferrous metals	2,000	tons
Chemicals	6,000	tons
Wood and cork	20,000	tons
Fats and oils	5,000	tons
Hides and leather	1,000	tons
Paper products	9,000	
Coal	30,000	tons
Coke	5,000	
Petroleum	65,000	
Textile raw materials	2,500	
Foodstuff raw materials	47,000	
Miscellaneous materials	25,500	
TOTAL	248,000	tons

- 5. Possible Outside Sources of Supply. (Countries from which Israel is receiving material.)
 - a. The USSR and its Satellites.

No reliable evidence exists of purchases of arms from the USSR, although it is known that Jewish Agency representatives in Prague have negotiated with the Soviet Purchasing Commission there. The Governments of Czechoslovakia and Yugoslavia, as well as those of Bulgaria and Albania, have cooperated in the transfer of arms to the Jewish forces by providing facilities, applying security measures, and maintaining the utmost secrecy concerning movements of arms. In Czechoslovakia, the transfer of arms is apparently being effected by Hagana and Intra-Spet, a Czech Government export-import agency. While some shipments have been made from Czechoslovakia by air (from Zatec and Ruzyne airfields, near Prague), most shipments appear to have been made by sea from ports located mainly in Italy, Bulgaria, and Albania. Bulgaria and Albania have no resources for making actual contributions of arms of any significance. There are indications of some purchases of arms from Poland, as a result of negotiations between representatives of Hagana and the Polish Central Jewish Committee. Shipments thus made entered Palestine under the guise of pipe and plumbing supplies.

b. Western Europe.

Apparently the only Western European country in which the Jews have met with success in their efforts to purchase matériel is Belgium. Sale was made by the Office of Mutual Aid to the National Hebrew Government, and the matériel consisted of tenting and individual equipment of US manufacture rather than weapons. Although Italy, because of Zionist pressure, has taken no effective action against the



transshipment of arms, there is no evidence that Italy has actually supplied any arms to the Jews. Italy has adopted an attitude of "benevolent neutrality." It is believed that no arms have been shipped from any of the Scandinavian countries. Swedish munition manufacturers would probably be willing to sell arms to both Jews and Arabs; no direct purchases can be made at this time, however, inasmuch as the Swedish Government will not grant export licenses for shipment to Israel or the Arab states.

c. The UK.

The Jews have acquired large amounts of arms and military matériel from British Army stocks in Palestine. These acquisitions were accomplished not with the cooperation of the British Government, which has been reluctant to sell arms to the Jews, but through purchases from individual members of the British Army, and by bribery, theft, re-purchase from Arabs, and through open raids on British supply installations. The British Army supplies now in the hands of the Israeli forces include rifles, pistols, Bren guns, Sten guns, explosives, grenades, 2.7 and 3-inch mortars, and a very few 3.7-inch howitzers.

d. The US and Latin America.

The bulk of Jewish acquisitions from the US has consisted of machinery and motor vehicle and air transport, much of which was purchased on the open market in the US for allegedly peaceful purposes. Both corporations and private individuals are engaged in this illicit traffic. One man is reported to be engaged in the manufacture of small arms for Hagana in the Dominican Republic. The shipment of much of the matériel acquired in the US has been via Latin American countries.

An American organization, Service Airways, with headquarters in New York and Burbank, California, is exporting surplus US aircraft to Palestine. Its Panamanian subsidiary, Lineas Aeras de Panama, SA (generally referred to as LAPSA) operates a fleet of Constellations and C-46's out of Panama ostensibly to Rome. These aircraft are reported to be carrying small planes, aircraft parts, and arms to the Jewish forces in Palestine. Several C-46's bearing the Panamanian flag have recently been observed at the Zatec airport, a center for clandestine arms operations near Prague.



APPENDIX C

ARAB ARMS SUPPLY

General.

The armies of the Arab states (particularly the British-trained units of Transjordan, Egypt, and Iraq) are organized along conventional lines, although they are much weaker than Western armies in supporting weapons, motor transport, and logistical organization. (At present, for example, they possess an aggregate strength of about 150 pieces of light artillery (75-105 mm.), less than 50 light tanks, and perhaps 300 armored cars.)

The Arab armies do not possess sufficient stockpiles of arms, ammunition, transport, and other essential war matériel to bring a campaign against Israel to a successful conclusion; on the basis of present stocks, the Arab states would be in a difficult supply position and could not launch extended offensive operations. The arms deliveries made to the Arabs by the UK prior to the truce probably served mainly to equip existing units or to replace obsolete equipment, and consequently would not be available for expansion of the armies in the field or for the replacements which, it is expected, would begin to be required soon after resumption of the fighting. At present deficiencies in ammunition reserves are particularly acute, although other supply difficulties are expected to arise.

The armament producing facilities and raw materials in the Arab states are too limited to affect materially the present supply situation. Under the circumstances, the Arabs undoubtedly hope for assistance from the UK, although limited additional material might be obtained from private sources in Czechoslovakia and other countries.

2. Present Stocks.

galagangan dalam

a. Egypt.

The Egyptian Army's small arms, predominantly British, consist of Lee-Enfield .303 rifles of World War I and II vintage, Sten and Thompson submachine guns, and at least 500 Bren light machine guns, as well as Lewis light machine guns and Vickers and Hotchkiss heavy machine guns. It also has British hand and rifle grenades.

The Egyptian Army employs the 2-inch, 3-inch, and 4.2-inch mortar, but stocks are not known. It was to have received from the UK 192 4.2-inch mortars, 273 3-inch mortars, and an unknown number of 2-inch mortars. At least 100 20-mm. PIAT antitank weapons are known to have been delivered by the UK out of an allotment of more than 1,400.

Early in 1948 the Egyptian Army possessed approximately 40 light artillery pieces (75-105 mm.). It also had at the outset of the Palestine fighting about 40 armored cars, some of which have since been immobilized, and about 25 light tanks. Egypt is short in motor transport, especially for battlefield use.



b. Transjordan.

The Transjordan Arab Legion is probably the best equipped of the Arab forces. Its British infantry equipment includes 10,795 rifles and carbines and 463 Bren light machine guns. It has 30 2-inch mortars, 12 3-inch mortars, 8 4.2-inch mortars, and about 50 antitank guns.

Transjordan forces possess 16 25-pounder light artillery pieces and had, in May 1948, 114 armored cars. A British delivery of 800,000 pounds sterling worth of trucks, tractors, armored cars, and miscellaneous equipment was held up on 12 June because of the truce. The Arab Legion has adequate motor transport but would face maintenance and replacement problems during extended operations.

Transjordan's chief difficulty is with ammunition reserves; shortages of artillery and 3-inch mortar ammunition were developing at the time of the truce, and it is likely that additional shortages of arms and ammunition would develop within a month of hostilities if outside resupply was not made available.

c. Iraq.

The small arms of the Iraqi Army are practically all of British origin, although some 15,000 rifles and other French equipment obtained during 1941 are also available. The basic infantry weapon is the Lee-Enfield .303 rifle. Iraq is amply supplied with infantry weapons. A 4-million-pound sterling order for British arms, largely filled by the April 1948 deadline, included 1,400 Sten submachine guns, 250 Bren light machine guns, and an unspecified number of rifles. Iraq is also believed to possess at least 79 Lewis or Bren light machine guns, 30 Vickers heavy machine guns, 193 Hotchkiss heavy machine guns, and 60 Italian machine guns.

Included in the British shipment due in April 1948 were 60 2-inch mortars, 48 3-inch mortars, and 30 4.2-inch mortars, as well as 360 20-mm. PIAT antitank weapons.

Iraq has 16 25-pounder artillery pieces, 24 3.7-inch pack howitzers, and some additional light artillery and light AA weapons. About 100 armored vehicles and some 900 ¾-tons and 3-ton trucks were to have been furnished by the British during 1947-48. Iraq previously had virtually no armored vehicles. Iraq's motor transport is still inadequate, although the government has requisitioned all trucks being privately imported through Basra as well as other civilian trucks.

d. Syria.

The bulk of the Syrian infantry forces are equipped with French 1886/93 rifles purchased before World War II, although some 1,300 Lee-Enfield rifles and about 1,000 Mauser rifles purchased from Czechoslovakia are on hand. Syria has received about 300 Thompson submachine guns and about 1,000 submachine guns of Czech origin as well as US .45 caliber pistols. The Syrian Army also has French 7.5-mm. light machine guns (Chatellerault Model 24 (24-29) and Hotchkiss 8-mm. heavy machine guns (1914 model). The amount and types of mortars available are not known.

Syria is believed to have 12 light artillery pieces, probably obsolescent French models. Eleven or 12 light tanks (nine of which were disabled before the truce) and

SECRET

18



24 armored cars have been observed. The gendarmerie has 27 British-supplied Chevrolet armored cars. Syria has ample motor transport.

Ammunition is a critical item of supply. It is reportedly adequate for only a month of aggressive action.

e. Lebanon, Saudi Arabia, and Yemen.

Lebanon's small army possesses old French equipment in unknown quantity, and has acquired a little equipment under a contract with the French firm of Brandt. Ammunition is extremely short, reportedly being sufficient for only a few days of fighting.

Saudi Arabia has a diversified and mainly obsolete stock of Italian, British, German, and US lend-lease weapons, including M-1903 rifles, 45 37-mm. guns, 126 60-mm. mortars, machine guns, and automatic rifles. Saudi Arabia has 656 US lend-lease trucks (about half of them jeeps) and 422 British trucks. Adequate fuel is available but motor maintenance is a major problem.

Yemen's small, heterogeneous arms stocks add nothing to the Arab war effort.

3. PRODUCTION CAPACITY.

a. General.

No contra

The Arab states in general lack even the limited industrial base which lends strength to the forces of Israel. This can hardly be attributed to lack of raw materials, since all are similarly deficient in this respect. The lack of efficient management and skilled technicians in the Arab states is an important factor bearing on their lack of industrial capacity. Perhaps a more important factor is their position as small countries which have been up until recently, or still are, dominated by major powers whose policy was to supply them with their requirements for weapons and ammunition rather than to see their own small industries built up. The result is that the Arab states are even more dependent than Israel upon foreign sources for their weapons and equipment.

b. Syria and Lebanon.

As far as is known, there is no production of finished munitions in these countries, other than limited production of homemade bombs and small arms ammunition in clandestine arms factories. The French Army formerly maintained a munitions depot in Hamana, Lebanon, a small village about 25 kilometers east of Beirut, but this was mainly a storage depot for munitions imported from abroad, mostly from France. Small-arms cartridges may have been filled at this depot, but primary manufacture was not undertaken.

Homemade bombs of unknown origin have occasionally been used in past disorders. A clandestine small-arms ammunition factory is reported in operation at Gharifeh, an isolated Druze village in the Baakline district of Lebanon. Established in 1945, the plant has a daily capacity of about 8,000 rounds of small-arms ammunition and 16,000 percussion caps. Imported tin, brass, lead, powder, and other supplies are



furnished by Darwiche Tabbara and Sons, pyrotechnics and fireworks manufacturers in Beirut.

Both Syria and Lebanon are encouraging the development of private munitions industries. The Beirut firm of Muhammad Farhat and Abd-al-Razzak Habib, a dock-yard and general repairs shop, recently received a license from the Lebanese Government for the manufacture of munitions. Initial production was to consist of mines and grenades. Machines for manufacture of percussion caps and detonators for these were reportedly still on order in January 1948. The firm is also reported to be trying to purchase equipment to produce more complicated weapons, including rifles and 60-mm. mortars. Syrian military leaders reportedly were negotiating in May 1948 with the owner of the Italian Zorzoli firm, manufacturers of an efficient machine pistol (model TZ-45), to move his plant and workers from Turin to a new location near Damascus.

c. Iraq.

Little information is available regarding the productive capacity of Iraq of arms and ammunition. The Iraqi Army is known to maintain, probably in the Baghdad area, a rifle factory which is capable of producing British-designed caliber .303 rifles of the short Enfield type. A small arms ammunition factory is also available for production of various types of small-arms ammunition, mainly the .303 caliber round for the Enfield rifle. Production of these plants was stopped during the war owing to shortages of raw materials, and it is not believed to have started again owing to lack of demand. (The Iraqi Army can supply itself more cheaply from British surplus stocks than it can from its own factories, since all raw materials for munitions manufacture must be imported.) An artillery shell case factory was also purchased from the UK but has never been placed in production. A recent report indicates that Iraq is interested in selling this plant to Egypt. It is authoritatively reported that the Iraqi General Staff does not intend to establish any more munitions plants.

d. Egypt.

In the 19th century, Egypt was self-sufficient in the production of small-arms and ammunition. However, the development of a modern army made the native munitions industry completely inadequate, with the result that the industry was allowed to languish in favor of almost complete dependence on imported weapons and ammunition. Production is for all practical purposes nonexistent at present.

Egypt is anxious to build a munitions industry, and has entertained representatives of US and Czech firms interested in establishing plants for the Egyptian Government. However, such munitions plants would be dependent on imports for raw and semi-finished material requirements.

e. Palestine.

The Arab section of Palestine contains a few textile factories, a soap factory, a match factory, some plants for processing olive oil, and a few metal and chemical works. However, five-sixths of Palestine industry was included in the new Jewish state.

SECKET



Arab industry, which in 1940 included 192 small metal works employing 804 persons and 20 chemical works employing 407 workers, has also been curtailed by the loss of Jaffa, in which several metal shops were engaging in the armor plating of trucks and some mortars were made.

f. Transjordan and Saudi Arabia.

There is no evidence of any manufacture of weapons or ammunition in Transjordan or Saudi Arabia.

g. Yemen.

The Yemen Army possesses a few field pieces which are obsolete. A certain amount of rifle ammunition is made in Sana'a in a machine shop operated by a Russian Jew with a few native assistants. It is a small and primitive establishment, with an estimated capacity of 1,000 rounds of small-arms ammunition daily, provided raw materials ar available. Although black powder is produced in some quantity, brass is extremely scarce and cartridges are necessarily very expensive.

4. RAW MATERIAL SITUATION.

All the Arab states lack significant quantities of iron, steel, coal, nonferrous metals, and chemical requirements of a munitions industry. There is no prospect in the near future that any of the Arab states can overcome these basic hindrances to establishment of a self-sustained munitions industry.

5. Possible Outside Sources of Supply.

Although the matériel now possessed by the Arab states is of mixed foreign manufacture, the bulk of the serviceable and efficient military equipment available to them is of British origin, and the only logical standardization would be along British lines. It is further difficult to foresee any source but the UK which would provide anything like an adequate supply of arms to the Arabs. UK delivery of equipment to the Arab states was halted on 9 June, two days before the truce became effective, but the treaties remain in effect. The Arabs will undoubtedly look first to the UK in attempting to obtain additional matériel.

The Arabs have also been approaching other sources of supply, however, including those in France, Belgium, Switzerland, Sweden, and Czechoslovakia; Czechoslovakian and Belgian arms representatives have recently conducted arms demonstrations in Cairo. Syria and Lebanon, which feel less need to standardize on British lines, have been particularly active in seeking supplies from other sources. Syria has still to receive delivery on the bulk of a Skoda (Czechoslovakia) order for some 10,000 rifles, 1,000 submachine guns, 500 machine guns, and 13,000,000 rounds of ammunition due in January 1948. Lebanon has outstanding orders for machine guns, 20-mm. guns, light mortars, antitank guns, and ammunition with the Parisian firm of Edgar Brandt, but this source is unable to supply amounts adequate for more than day-to-day peacetime needs. In general, Arab lack of dollar credits will restrict purchases outside the



UK, although the USSR and its satellites might provide some matériel under special circumstances.

Another source of arms still capable of exploitation is the reservoir of British, German, and US equipment abandoned during the North African campaign. This equipment, consisting mainly of small arms, automatic weapons, and ammunition, has come largely into the hands of private individuals and small concerns and was a principal source of the arms acquired by Arab irregulars. The traffic has been particularly active in Egypt, but there are no indications that the Egyptian Government has officially sanctioned it or has acquired such matériel itself.

Acquisition of arms from the US for Arab use in Palestine is not likely, although a considerable number of vehicles, not subject to the current embargo, have been acquired recently from the US.

APPENDIX D

AIRCRAFT AND AIR DEFENSE SUPPLY

1. GENERAL.

At present the Arab states are markedly superior to Israel in the number of military aircraft of all types available. However, on the basis of present stocks of planes and replacement parts, it is estimated that future deterioration of Arab air strength would be rapid, while Israel would be able to continue to provide effective air opposition. A shortage of trained Arab pilots is another critical factor; even if an arms embargo were nominally in effect against Israel alone, the Jews might be able to outstrip the Arabs in operational effectiveness. Neither side has local sources of aircraft. The Jews have been obtaining aircraft from Czechoslovakia and (through clandestine sources) from the US. The Arabs were not receiving aircraft at the time of the truce on 11 June but presumably might obtain additional matériel from the UK under the appropriate circumstances.

The Arab states are superior to Israel in antiaircraft weapons, having guns of light through heavy calibers as against a limited number of light weapons installed by the Jews at Tel Aviv. However, neither side has enough equipment for adequate defense against sustained attack. Ammunition stocks are limited. Israel has been buying AA equipment from Czechslovakia and has approached Oerlikon. The Arabs have obtained AA equipment from the UK and have approached Czechoslovakia and Oerlikon. The Arabs have only a few radar sets, while Israel is not known to possess any. Although a number of sources of radar equipment are available to both sides, neither the Jews nor the Arabs are believed capable of making efficient use of radar.

2. ISRAEL.

It is estimated that Israel has the following operational aircraft, in addition to an unknown number of C-46's and/or C-47's and possibly two or three B-17's:

- 8-10 Messerschmitt 109's (2-seated C-110 Version)
 - 2 DH Rapides
- 4-6 Ansons
- 6-10 Austers
 - 21 Miscellaneous light types

Up to the time of the truce Israel was receiving aircraft from Czech firms and through clandestine sources in the US. It is estimated that at least 50 ME-109's would be available to Israel from Czechoslovakia and an unknown number of fighters, light bombers, and transports from clandestine US sources.

Forty light AA guns, are reported in position around Tel Aviv. The Jews have obtained AA equipment from Czechoslovakia and have negotiated with Oerlikon in

Switzerland for 20-mm. guns. Additional weapons might be available from the Soviet bloc.

Radar equipment, not known to be in the possession of Israel at present, might be obtained from British, US, and German World War II stocks now in private hands and from electronics firms in the Netherlands, Sweden, and other countries.

3. THE ARAB STATES.

It is estimated that the Arab states have the following aircraft:

Egypt 48-51 Spitfire V's and IX's
6 C-47's
6 C-47A's
1 C-57A
1 PBY-5
16 AT-6's
9 BT-13's

In addition, Egypt maintains, at approximately 60 percent operational efficiency, 69 obsolete aircraft, as follows: 4 Boulton Paul Defiants, 13 Ansons, 2 Percival Q-6's, 29 Magisters, 5 Avros, 1 Hirth, 4 Gladiators, 4 Lysanders, 3 Oxfords, 4 Hurricanes. Egypt also has 103 C-46's donated by the US for mechanical instruction only and not to be flown; of these, 10 are believed to have been put into operation.

Iraq 31 Ansons
15 Gladiators (condition very poor)
11 Sea Furies
15 Miscellaneous light training and liaison types

Syria 20 AT-6's
25 Miscellaneous light training and liaison types

Lebanon and Transjordan nil

No aircraft were being received by the Arabs at the time of the truce 11 June.

Arab antiaircraft artillery ranging in caliber from 20 mm. up to 3.7 inch is concentrated at Alexandria, Cairo, and Baghdad. Ammunition stocks are low. Fire control radar is not used with the heavy AA guns. The Arabs have been receiving AA weapons from the UK and were expecting 48 40-mm. Bofors guns at the time of the truce. Additional weapons might be available from Czechoslovakia, with which the Arabs contracted for the purchase of arms prior to the Communist coup, and from the Oerlikon firm, which had been approached prior to the truce.

Egypt apparently possesses a few British radar sets (including early warning as well as lighter equipment) but is not believed to have spare parts and qualified maintenance personnel. Except for some indications that a radar station (possibly supplied by Egypt) has been installed along the Jerusalem-Latrun road, there is no other evidence that the Arabs possess radar. The Arab states might be able to obtain radar equipment from the UK, as well as from the private sources also available to Israel.



APPENDIX E

NAVAL STRENGTH AND SUPPLY

Egypt is the only nation under consideration which possesses more than token naval forces. Israel reportedly has several corvettes and might be able to employ light defensive armament on merchant vessels chartered by its representatives for bringing in immigrants and supplies; conceivably it might also be able to obtain naval assistance from the Soviet bloc.

The Royal Egyptian Navy consists entirely of sloops or small, slow, escort vessels. It has sufficient (although inadequately trained and experienced) personnel to man these vessels and is believed to be able to provide logistical support for the force in the Southeastern Mediterranean. Replacement parts and ammunition are limited. Additional equipment might be available from the UK, which has supplied most of Egypt's equipment with the exception of some recently acquired US surplus motor minesweepers.

Current Egyptian fleet strength may be summarized as follows:

Type	No.	Displacement (tons)	Speed (knots)	Armament			
Sloop (PG) Sloop (PG) Motor Minesweepers	1 1,441 17.0 1 1,105 16.0 pers 9 290 12.0		16.0	2-6 pdr; 4 M.G. Reported Disarmed			
(YMS) Landing Ship Tank (LST)	1	2,140	10.8	1-3" 150 Dual Purpose 2-20 MM AA 2-Depth Charge Throwers 4-40 MM AA			
Small Transport (APC)	1	2,640	14.0	6-20 MM AA 2-3 pdr.			
Motor Patrol Boats (YP)	2	*	(1@15.0) (1@35.0)	1-37 MM AA			

Eight or more miscellaneous vessels of negligible fighting value are available. The LST is badly in need of a refit.



SECRET